Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Transportation Committee

SSB 5085

Brief Description: Modifying certain alternative fuel vehicles fees.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Rolfes and Lovelett).

Brief Summary of Substitute Bill

• Lowers the additional annual electric vehicle registration renewal fee on electric motorcycles from \$150 to \$30.

Hearing Date: 3/15/21

Staff: Beth Redfield (786-7140).

Background:

In addition to any other fees due at annual vehicle registration renewal, an electric or hybrid vehicle using at least one method of propulsion capable of being re-energized by an external source of electricity and is capable of traveling at least 30 miles using only battery power, powered by electricity, are subject to two electric vehicle fees that total \$150. The vehicles these fees apply to include electric motorcycles.

The first fee is \$100 and is deposited into the Motor Vehicle Fund, up to \$1 million annually. If in any year the amount collected exceeds \$1 million, the excess amount is distributed as follows: 70 percent to the Motor Vehicle Fund; 15 percent to the Transportation Improvement Account; and 15 percent to the Rural Arterial Trust Account.

The second fee is \$50. The first \$1 million raised by the fee must be deposited into the Multimodal Transportation Account. Any remaining amounts must be deposited into the Motor

House Bill Analysis - 1 - SSB 5085

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Vehicle Fund. The \$1 million threshold was reached in November 2017, and fee revenues from the \$50 fees are currently deposited into the Motor Vehicle Fund.

The additional electric vehicle registration renewal fees are applicable until the effective date of enacted legislation which imposes a vehicle-miles-traveled fee or tax. The Department of Licensing (DOL) must provide written notice of the expiration of the fees.

Summary of Substitute Bill:

Beginning November 1, 2021, the additional annual electric vehicle registration renewal fee for electric motorcycles is lowered from \$150 to \$30. The additional fee for electric motorcycles is deposited into the Motor Vehicle Fund.

The reduction in electric vehicle fees charged to electric motorcycles expires on the effective date of legislation enacted to impose a vehicle-miles-traveled charge. Such legislation triggering expiration of this fee reduction does not include the enactment of Senate Bill 5444 (voluntary early adoption of a per-mile charge on electric or hybrid vehicles). The DOL must provide written notice of the expiration of the fee reduction.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect on November 1, 2021.